

# Making The Healthiest Choice The Easy Choice

**Iowa Legislative Health Care Coverage Commission**

**Laura Jackson**  
**Executive Vice President, Health Care Strategy & Policy**  
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## Workgroup #4 Objectives

- Provide perspectives to the Commission on what is currently happening in Iowa & its communities to change the health care cost curve
- Expand the knowledge of the Commission
- Show what is possible for the State for controlling costs and promoting personal responsibility

## Our Focus

- Environmental changes necessary for people to make long-lasting lifestyle changes – there is no silver bullet
- Multi-faceted approach involving individuals, employers, the medical community, government and communities is necessary
- A healthier Iowa leads to lower health care costs and a stronger and more viable economic future



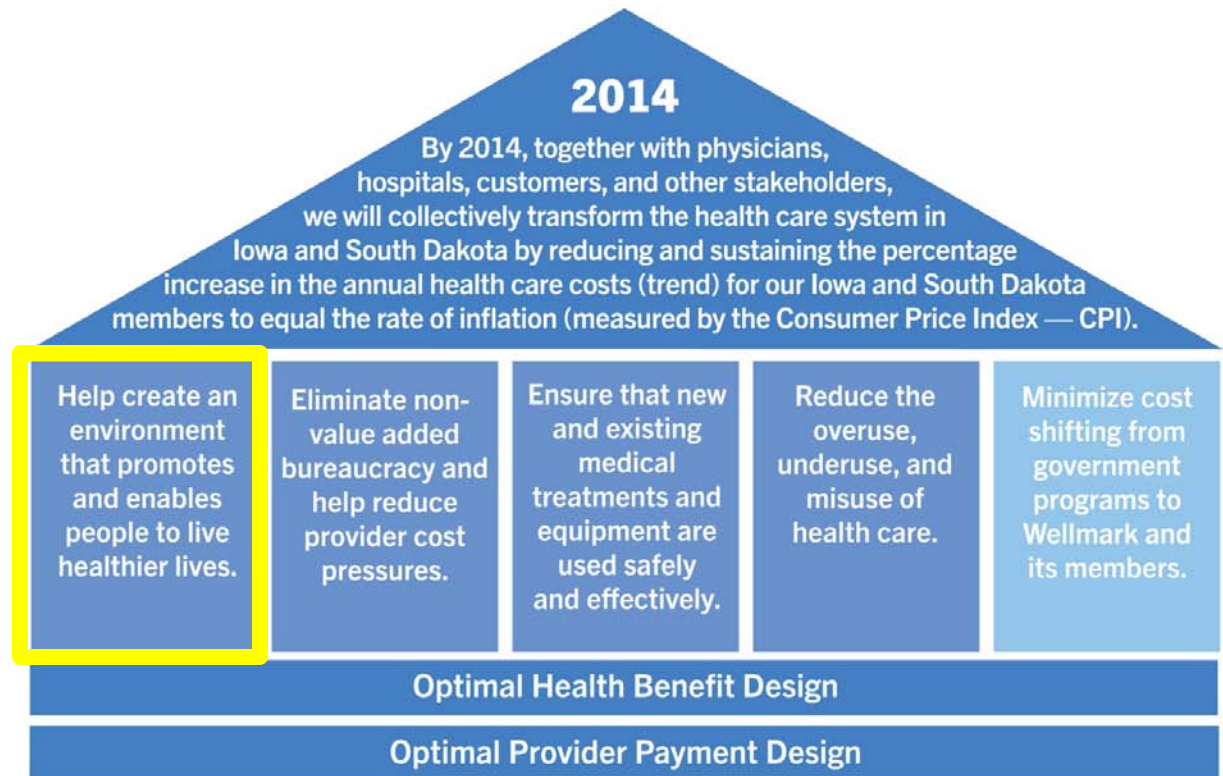
## Wellmark Corporate Vision

Continuously **improve the health** of our members and the communities we serve. We envision a future in which every generation experiences **greater quality of health** and improved quality of life.

Affordable care will not be possible without halting and even reversing the poor lifestyle habits of Iowans.

## Goal

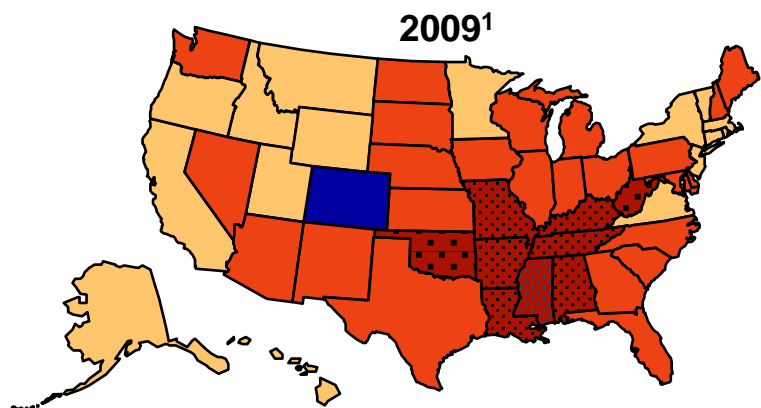
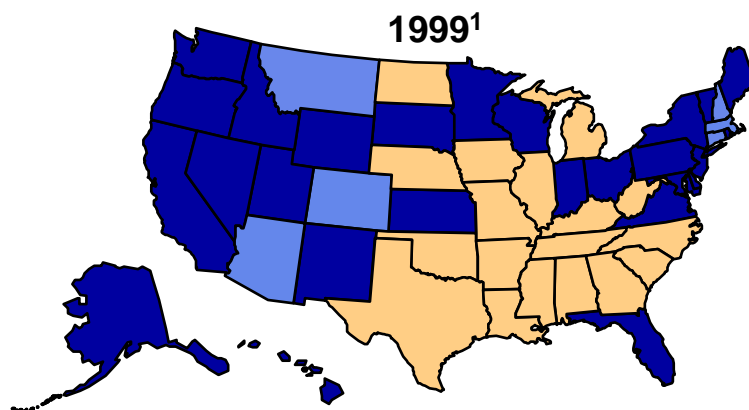
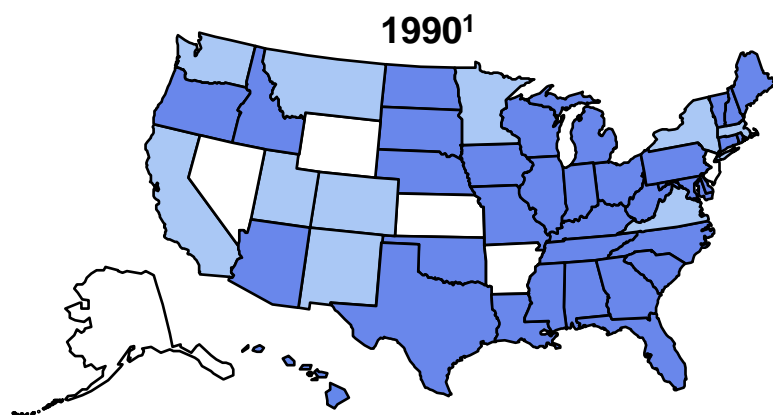
By 2014, together with physicians, hospitals, customers and other stakeholders, we will *collectively* transform the health care system in Iowa and South Dakota by reducing and sustaining the percentage increase in the annual health care costs (trend) for our Iowa and South Dakota members to *equal* the rate of inflation (measured by the Consumer Price Index – CPI).



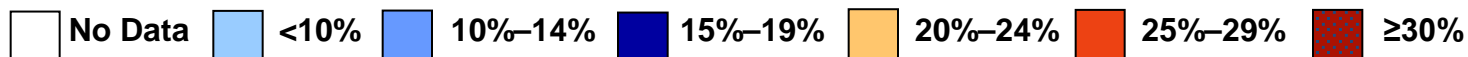
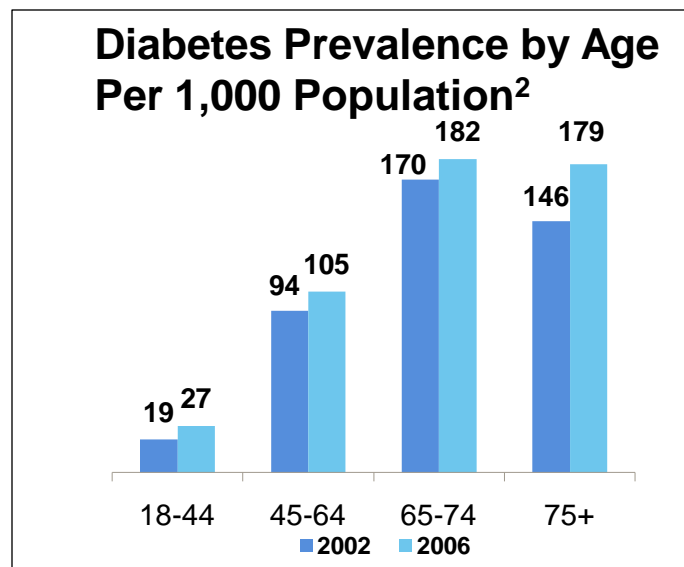


# Where We Are Today

# The Country is Facing a Pandemic



\*BMI ≥30, or about 30 lbs. overweight for 5'4" person



<sup>1</sup>Behavioral Risk Factor Surveillance System, CDC; <sup>2</sup>Centers for Disease Control and Prevention, National Center for Health Statistics (2008) National Health Interview Survey (NHIS)

# Environmental Changes Have Impacted Our Health



## ■ Food

- Sugar & high fructose corn syrup consumption
- Processed foods/school lunches
- Portion sizes
- Eating at restaurants; cheap fast food

## ■ Home

- Appliances/tools to do the work for us
- Reliance on driving because of suburb living

## ■ Work

- Shift to white collar jobs (sedentary)
- Long hours; vending machine dinners

## ■ Activity

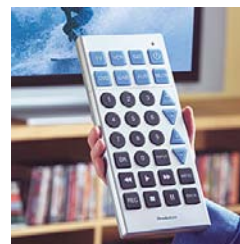
- Planned/programmed activities the norm
- PE/recess time reduced

## ■ Communities

- Widen streets for cars and limit sidewalks
- Minimal recreational areas
- Unsafe neighborhoods

## ■ Cultural Norms

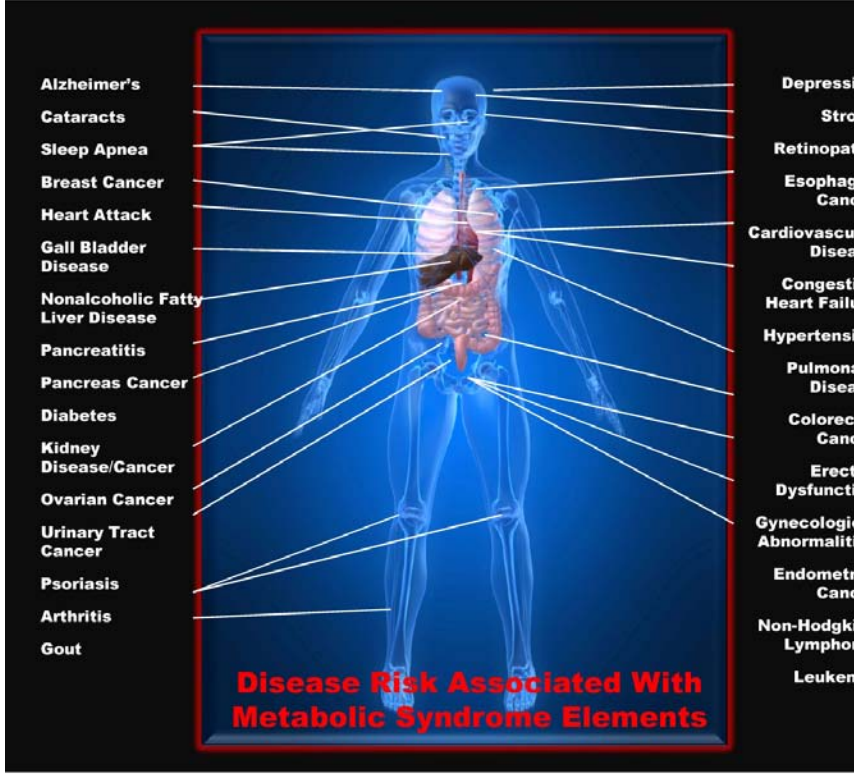
- Reward ourselves with food
- Forgotten what healthy looks like
- Influenced by our obese friends
- Parents influencing kids
- Clothing sizes adapted





# Our Lifestyle Habits Can Determine Our Fate



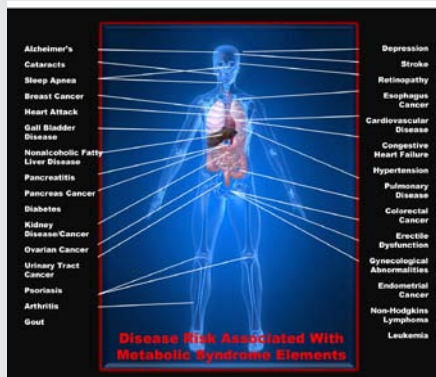
- Over a 10-year period, the number of newly diagnosed **diabetes** cases in the United States nearly doubled
  - More than 80% of people with type 2 **diabetes** are overweight
  - Diabetes** is the seventh leading cause of death in the United States and accounts for 11% of all U.S. health care costs
  - One in three adults has **high blood pressure**; approximately 30% of hypertension cases attributable to obesity and may be as high as 60% in men under 45
  - Approximately 20% of **cancer** in women and 15% of cancer in men is attributable to obesity
- 
- Disease Risk Associated With Metabolic Syndrome Elements**
- | Left Side Diseases               | Right Side Diseases         |
|----------------------------------|-----------------------------|
| Alzheimer's                      | Depression                  |
| Cataracts                        | Stroke                      |
| Sleep Apnea                      | Retinopathy                 |
| Breast Cancer                    | Esophagus Cancer            |
| Heart Attack                     | Cardiovascular Disease      |
| Gall Bladder Disease             | Congestive Heart Failure    |
| Nonalcoholic Fatty Liver Disease | Hypertension                |
| Pancreatitis                     | Pulmonary Disease           |
| Pancreas Cancer                  | Colorectal Cancer           |
| Diabetes                         | Erectile Dysfunction        |
| Kidney Disease/Cancer            | Gynecological Abnormalities |
| Ovarian Cancer                   | Endometrial Cancer          |
| Urinary Tract Cancer             | Non-Hodgkins Lymphoma       |
| Psoriasis                        | Leukemia                    |
| Arthritis                        |                             |
| Gout                             |                             |
- A review of 10 published studies found that people who were obese at the beginning of the studies were 80% more likely to later develop **Alzheimer's** disease than those adults who had a normal weight at enrollment
  - Among individuals who have received a doctor's diagnosis of **arthritis**, 68.8% are overweight or obese

# Our Choices Are Driving Higher Health Care Costs

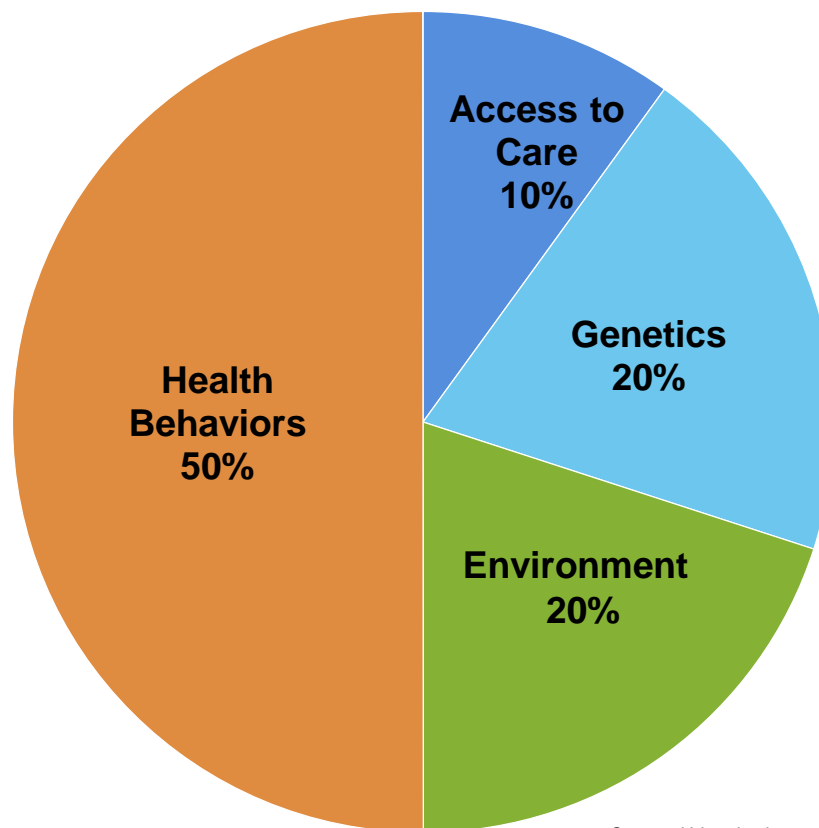


## Unhealthy Choices = Higher Costs

- What we eat or don't eat
- How we move or don't move
- Who we spend time with
- Where we live
- Tobacco use



## Factors Influencing Our Health



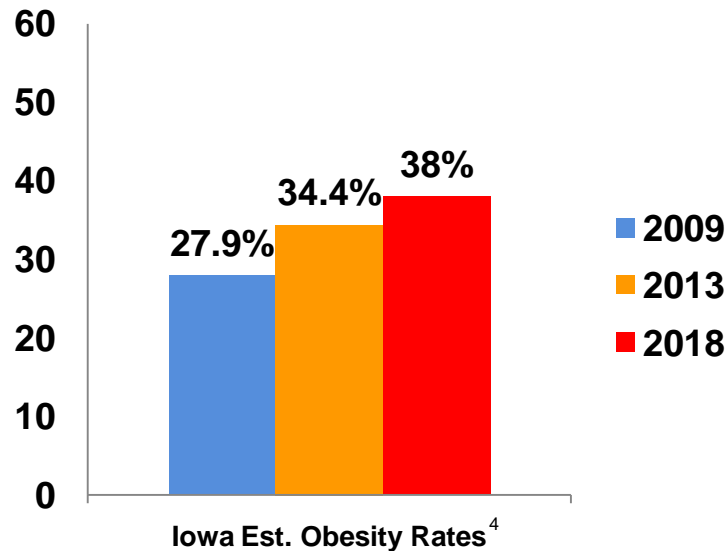
Source: Urban Institute



# Iowa Obesity Rates & Health Care Costs

## Consequences Of Inaction Are Too High

- Iowa is the 22<sup>nd</sup> most obese state<sup>1</sup>
- 1990, 4.7% of Iowa residents were diagnosed with diabetes; by 2008, number jumped to 7%<sup>2</sup>
- New technology makes it more expensive to treat a larger number of people (\$16 - average cost of an insulin prescription in 1990; \$205 – average cost of an insulin prescription in 2008 )<sup>3</sup>



Iowa Obesity Rates <sup>5</sup>	
1990	14.0%
1995	17.5%
2000	21.5%
2005	25.4%
2009	27.9%

100% Increase

Avoided Costs If Obesity Remains At 2009 Rates (Iowa) <sup>6</sup>	
2013	2018
\$286M	\$1,627M

Source: America's Health Rankings – The Future Cost of Obesity, Nov. 2009

<sup>1</sup> F as in Fat: 2010 How Obesity Threatens America's Future; Trust for America's Health & Robert Wood Johnson Foundation; <sup>2</sup>State Health Facts, Kaiser Family Foundation & Diabetes Data & Trends, CDC; <sup>3</sup>Wellmark Claims Data; <sup>4</sup>America's Health Rankings – The Future Cost of Obesity, Nov. 2009; <sup>5</sup>Behavioral Risk Factor Surveillance System, CDC; <sup>6</sup>America's Health Rankings – The Future Cost of Obesity

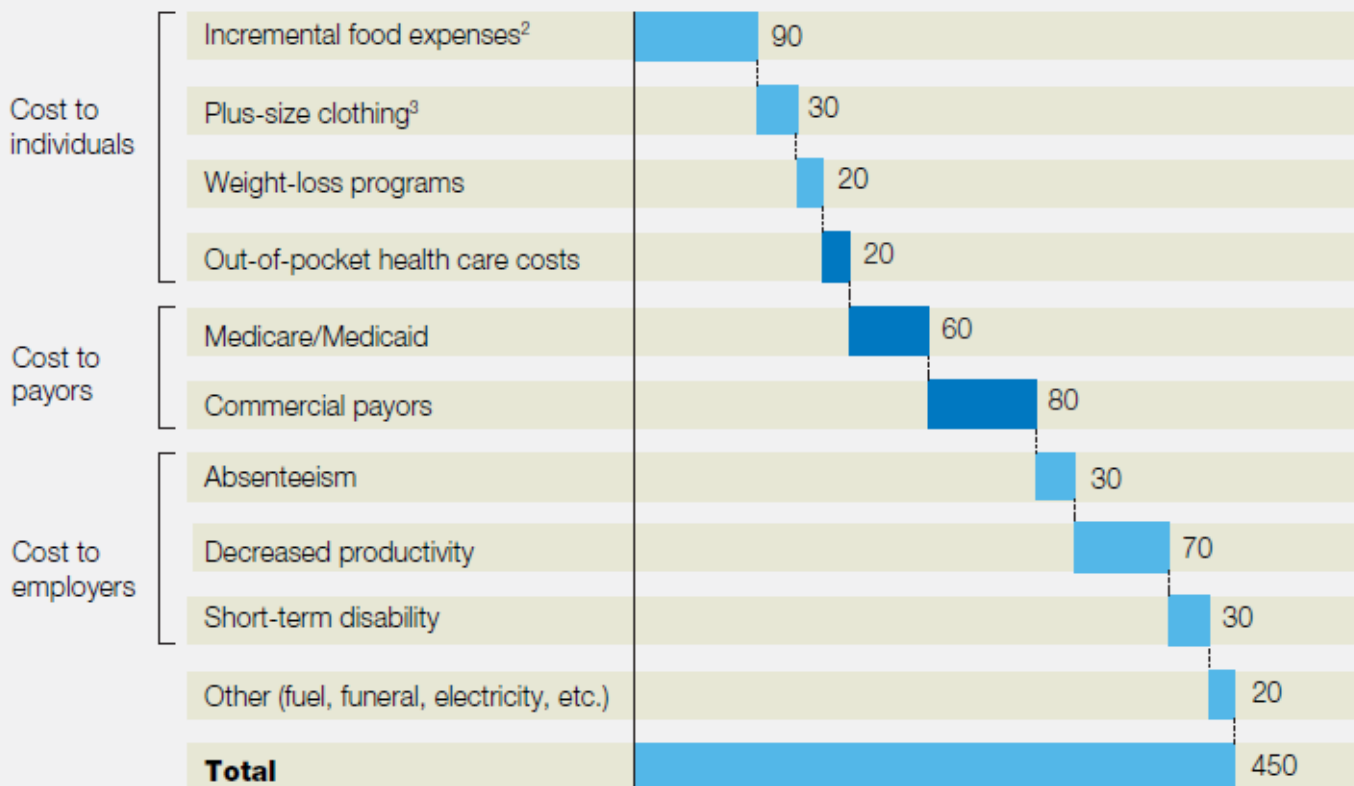
# The Indirect Costs of an Obese Country



## Total US obesity costs are nearly three times direct medical costs.

Estimated increased spending associated with obesity in the United States<sup>1</sup>  
\$ billion

■ Direct medical costs = ~\$160 billion



<sup>1</sup>Rounded estimates.

<sup>2</sup>Based on estimated cost of incremental calorie intake to maintain obese weight.

<sup>3</sup>Based on incremental costs of plus-size clothing.

Source: McKinsey analysis; Centers for Disease Control and Prevention; 2006 National Health Expenditure Accounts; Euromonitor

# Health Insurance Wasn't Designed for Current Lifestyles



## Insurance Evolution

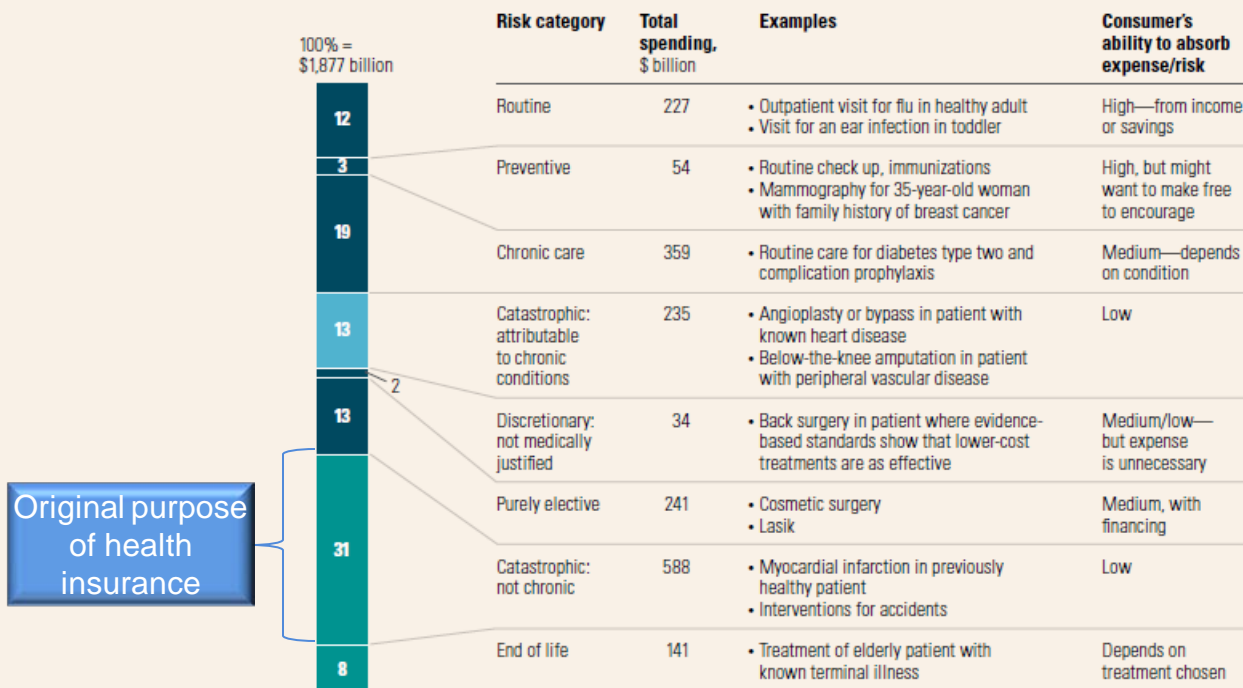
- Over the past 30 years, insurance shifted from catastrophic focus to chronic focus – driven by lifestyles
- Funding methods & reimbursement models have not adjusted and are misaligned
- Mandates have increased costs – mandates represented nearly 12.5% of Wellmark's premium in 2007

Exhibit 1  
The nature of  
health care risk

Breakdown of US health care costs,<sup>1</sup> 2007

Level of consumer discretion: degree to which consumer can exercise some restraint on costs

■ High ■ Medium ■ Low



<sup>1</sup>Government administrative expenses, private insurers' profits, research expenses, the cost of equipment and software, and the cost of public-health activities excluded; figures do not sum to 100%, because of rounding.

Source: Office of the Actuary and National Health Expenditure Data Fact Sheet, US Centers for Medicare and Medicaid Services; US Medical Expenditure Panel Surveys (MEPS); McKinsey analysis



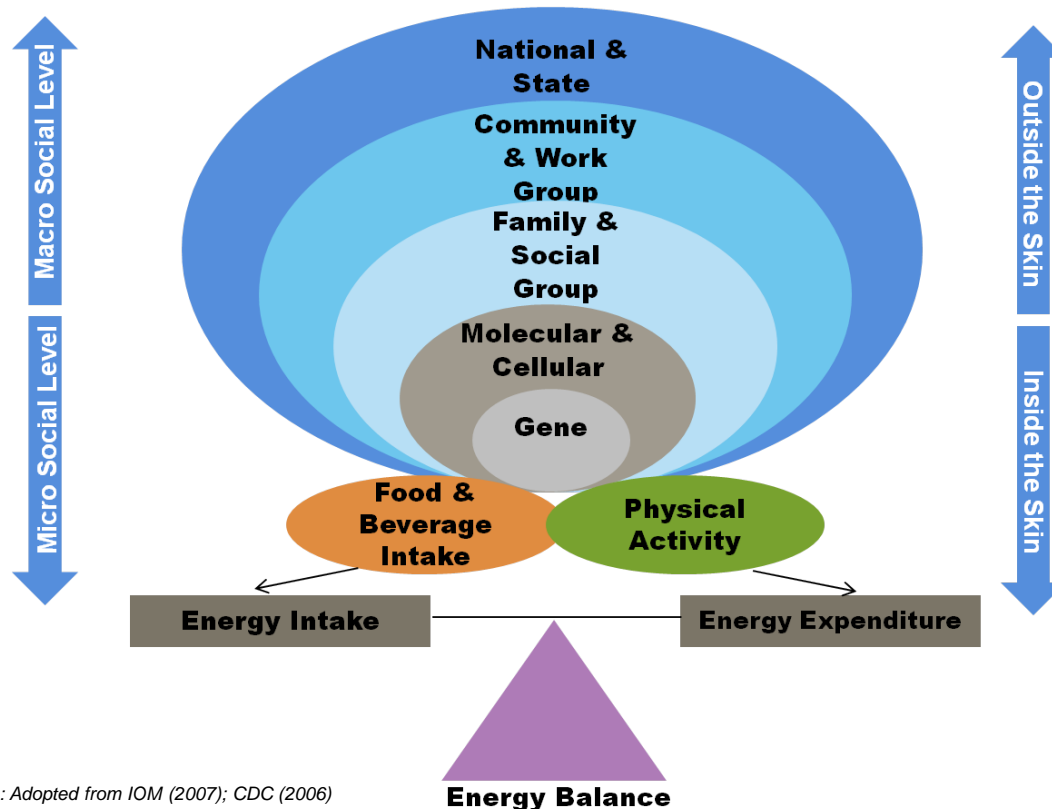
# It's Time For A Change

## Statistics Show Change Is Hard

- 95% of people who lose weight will gain it back in three years<sup>1</sup>
- Only 4-7% of people can quit smoking without medicines or other help<sup>2</sup>
- It is not about will power, character, or laziness – it is about our environment & lifestyle

## Reframing The Choice Options

- People are “predictably irrational” in their ability to make decisions
- Hidden forces shape our decisions
- Alignment of all levers to encourage best decisions

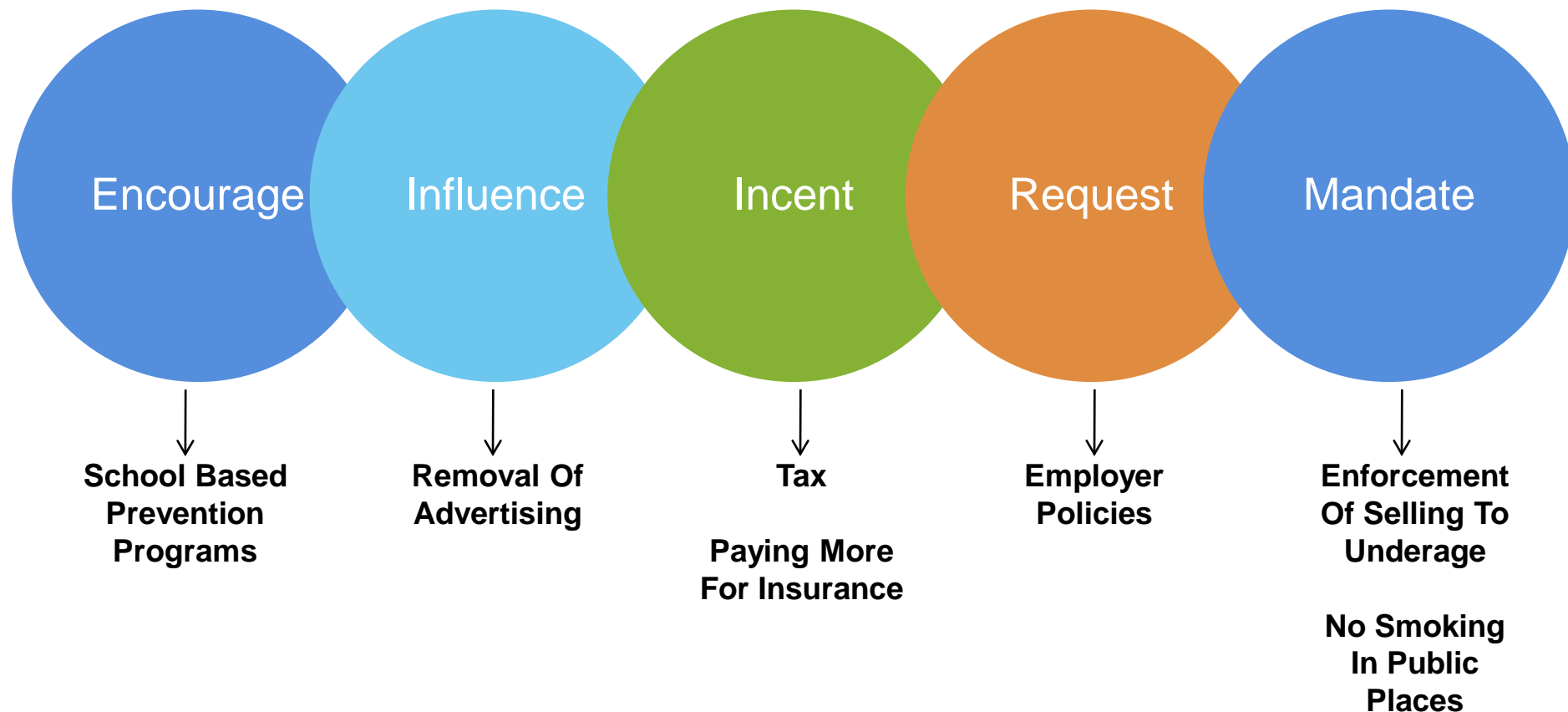


<sup>1</sup><http://www.chasefreedom.com/weightloss.html>

<sup>2</sup>American Cancer Society

Sources: Adopted from IOM (2007); CDC (2006)

## Example: Tobacco Use





# Multi-Faceted Approach



## Wellness Benefit Plan vs. Non-Wellness Benefit Plan

- Financial differential
- Must do screening and complete programs based on own risk factors
- If programs not completed, moved to non-wellness benefit plan

## Results

- 80% participation
- 50% reduction in metabolic syndrome



### Sign Up For Your Free Screening in October

Free Biometric Screenings (blood pressure, cholesterol levels, triglyceride level, glucose level and waist measurement) will be held November 2 - December 11, 2009 at a variety of locations. Register for you and your eligible spouse on GENESIS. Look for the "Wellness" icon. Once registered, you will receive screening instructions. If you have any questions, please call 563-421-3870.

### We KNOW it works!

Your Genesis coworkers have proven the success potential of the Healthy Lifestyle Program. After 10 weeks of Healthy Lifestyle class participation, responsible nutrition and, in many cases, regular exercise, those enrolled in our program achieved dramatic RESULTS:

- 10 pounds, average weight loss per participant
- 48 percent reduction in Metabolic Syndrome risk
- 85 percent fewer participants with elevated waist circumference
- 67 percent reduction in participants with elevated triglycerides

Healthy Lifestyle can work for you, too. Register for your free biometric health screening and begin the process of changing your personal disease today.

**Paulito Tuazon**  
Physician  
Podiatrist  
Genesis Health Group

"Lost weight and reduced metabolic syndrome risk factors including cholesterol and triglycerides."

Another Healthy Lifestyle Success

The entire Healthy Lifestyle program is designed to help all members of our Genesis system to live longer, more satisfying lives. Decreases in health insurance premiums can also be earned by healthy eligible employees.

The Healthy Lifestyle screening is offered AT NO COST TO ALL GENESIS EMPLOYEES AND THEIR SPOUSES.

If your confidential screening shows three or more of the risk factors noted for Metabolic Syndrome, our Healthy Lifestyle classroom education is available to employees and their spouses at no cost.

N3 program results are required. While positive results are almost undeniable, NO USELESS or BENCHMARKS for success must be achieved.

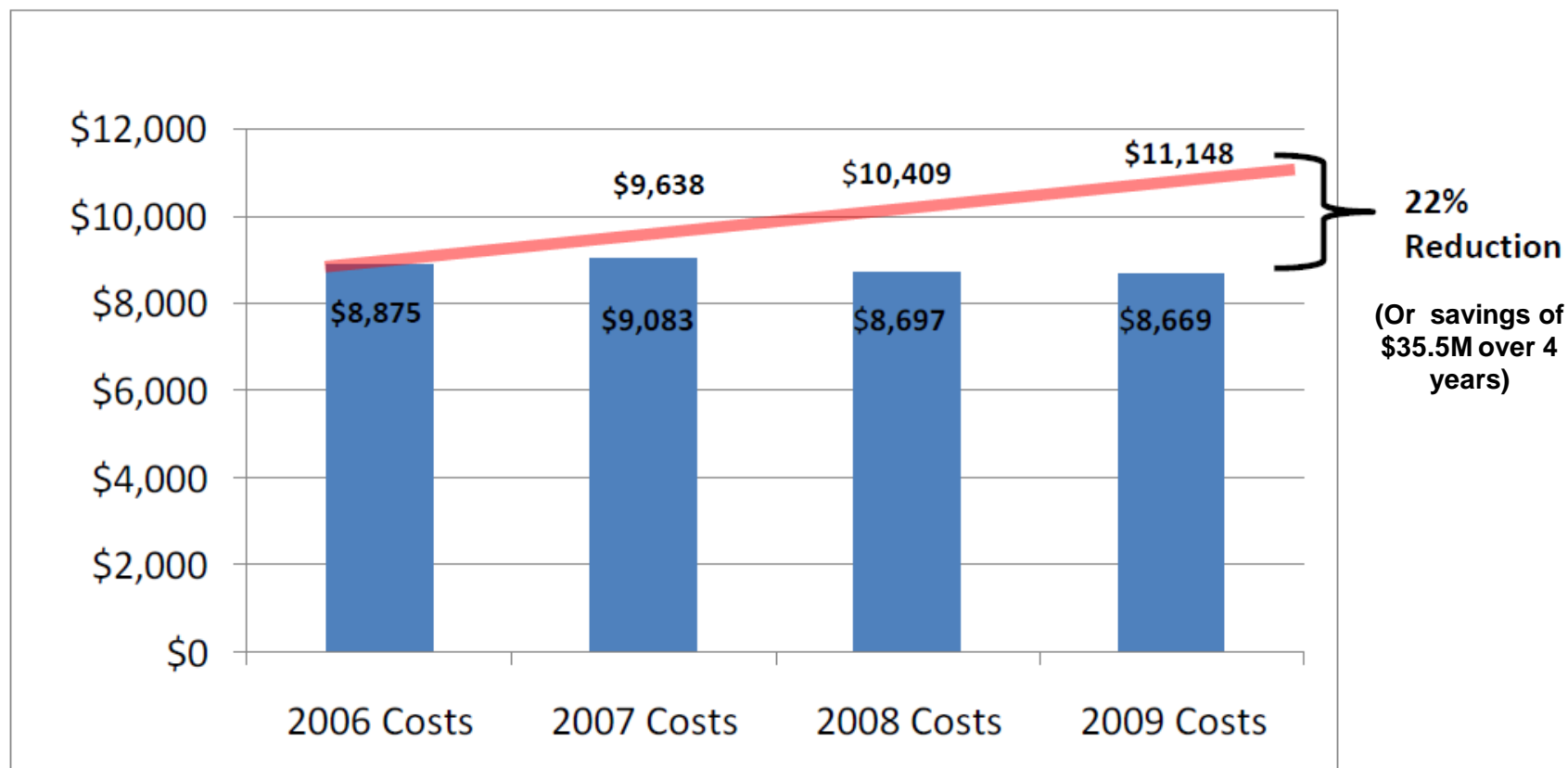
### Metabolic Syndrome Risk Factors

- Waist measurement above 40" (men) or 35" (women)
- Blood pressure is 130/95 or greater
- Triglyceride level 150 mg/dl or higher
- Fasting blood glucose (sugar) above 100 mg/dl
- HDL (good) cholesterol below 40 mg/dl (men) or 50 mg/dl (women)

### Don't let YOUR... participate in Healthy Lifestyle.

- We know this program will reduce life-threatening risk factors.
- We are confident that at least 80 percent of participants will maintain their weight loss.
- We are certain that you will benefit from the partners of the program that benefit you, including the biometric health screening, the Healthy Lifestyle classes, and the premium discount that you may earn.

## Annual Medical Cost per Covered Employee



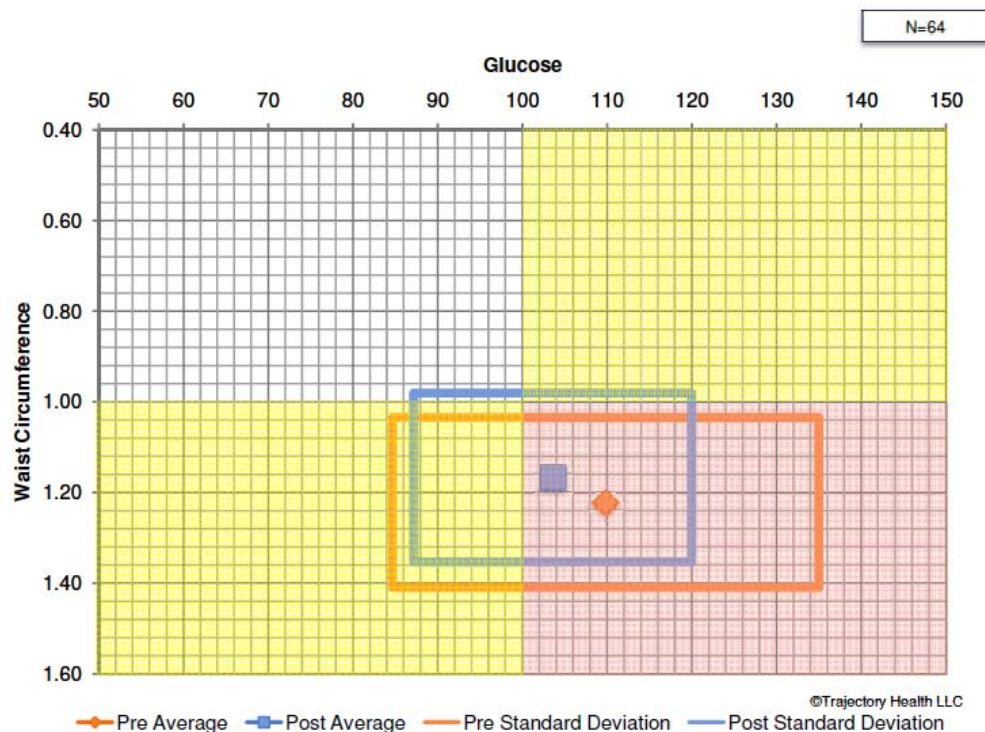
*Red line reflects Genesis' 2006 cost trended using the average overall annual health care cost increase from the Hewitt's 2010 national survey (ranging from 7.1% in 2007 to 8.6% in 2009)*



# Making It Personal and Possible

- Using behavioral economics to determine benefit design changes
- Helping employees lead healthier lives by changing the environment and making the healthiest choices the easiest choices
- Teaching most at risk members how to eat differently – Naturally Slim

Scatter Plot Movement for Metabolic Syndrome Participants



## Holistic Approach To Help Manage Population Health

- Comparative effectiveness
- Informed consumer
- Provider assumes clinical risk; Wellmark retains insurance risk

## Help Physicians Create Infrastructure To Keep People Well

- Data sharing to create a holistic picture of the patient
- Incentives to manage patient population health
- Bundled payment for coaching individuals
- Shared savings
  - Could result in restructuring how physicians provide care
  - Vested interest in seeing that patients follow through on care plans and receive appropriate care



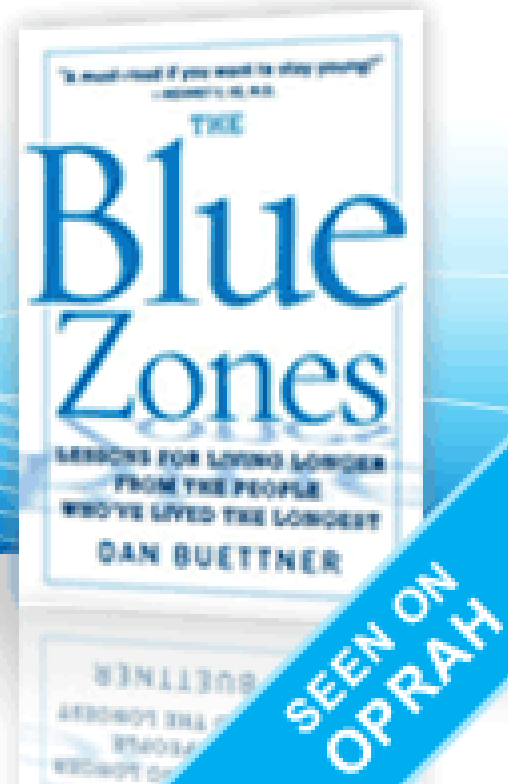


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*"Practical tips for  
living long and well,"*  
– Dr. Andrew Weil

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# The Power 9 Found in Blue Zones

## Using The Power 9 To Change The Environment



### Move Naturally

### Right Outlook

- Purpose Now
- Downshift

### Eat Wisely

- 80% Rule
- Plant Slant
- Wine@5

### Belong

- Right Tribe
- Community
- Loved Ones First

### Move Naturally

- Plant community gardens
- Build trails to encourage walking
- Establish walking school buses
- De-convenience the home



### Right Outlook

- Have a purpose
- Volunteer – give back



### Eat Wisely

- Wean kids off snacks and pop
- Change restaurant menus
- Stock vending machines with healthier choices
- Encourage farmers markets and the eating of fresh, local produce



### Belong

- Have a faith/spirituality component
- Spend time with your family
- Social networks



## Albert Lea, MN – The First Blue Zones Community

- More than 25% of the population participated in the program
- Restaurants changed their menus to offer many more healthy choices
- Schools implemented seven wellness policy changes to reduce snack foods and increase activity
- Businesses changed their environment & policies to encourage healthier behaviors
- Volunteers planted 70 community gardens
- Biking and hiking paths were connected throughout the community to encourage more walking
- social groups called "Walking Moais"

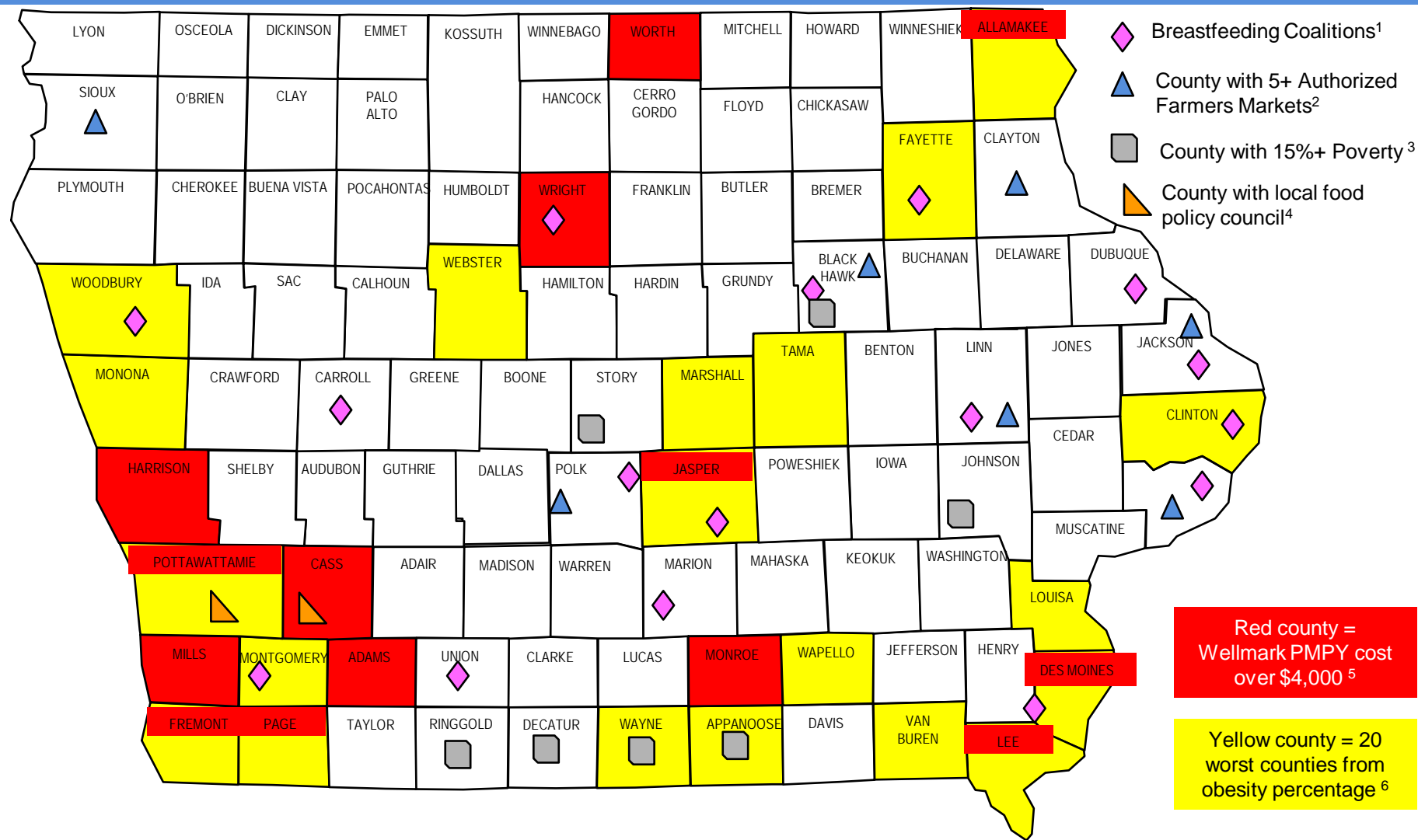
## 2009 Results

- Life expectancy increased an average of 3.2 years
- Participants lost an average of 3 lbs each
- Employers reported a 21% drop in absenteeism
- City employees showed a 49% decrease in health care costs
- Kids walked more, due to a "walking school bus" system that had kids walking the last mile to school every day under the supervision of parent and senior volunteers
- Over 2500 volunteer hours in 10 months



[Good Morning America Video](#)

# Blue Zones in Iowa



<sup>1</sup>Iowa Breastfeeding Coalition; <sup>2</sup>Iowa State University Extension; <sup>3</sup>Small Area Income and Poverty Estimates Program, U.S. Census Bureau (2005); <sup>4</sup>Leopold Center for Sustainable Agriculture; <sup>5</sup>Wellmark Analytics & Reporting (2009); <sup>6</sup>2005 and 2007 Behavioral Risk Factor Surveillance System (BRFSS), State Center for Health Statistics





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